

Do not use this checklist for liability coverage. If using insurance for liability coverage, use publication #05-04-008(k).  
Do not use this checklist for post-closure or interim status facilities – contact Ecology’s Financial Assurance Officer for instructions.

**FINANCIAL ASSURANCE COMPLIANCE CHECKLIST  
CLOSURE INSURANCE  
FACILITIES USING 40 CFR 264.143(e)**

**REVIEW FOR YEAR:** \_\_\_\_\_

EFFECTIVE DATE \_\_\_\_\_  
DATE SUBMITTED \_\_\_\_\_  
POLICY NUMBER \_\_\_\_\_  
INSURANCE COMPANY \_\_\_\_\_  
FACILITY NAME \_\_\_\_\_  
LOCATION \_\_\_\_\_  
ID NUMBER \_\_\_\_\_

INITIAL REVIEW STEPS	COMMENTS
1. Has the Certificate of Insurance been submitted? <i>40 CFR 264.143(e)</i>	
2. Is the wording of the Certificate identical to the requirements? <i>40 CFR 264.151(e) and WAC 173-303-620(10)</i>	
3. Is the insurer licensed to transact the business of insurance in Washington State? If not, is the insurer an excess or surplus line insurer in one or more states? <i>40 CFR 264.143(e)(1)</i>	
4. If the insurer is an excess or surplus line insurer, has the proper Washington State affidavit been provided? <i>WAC 284-15-030</i>	
5. Is the closure insurance policy issued for a face amount at least equal to the current closure cost estimate? <i>40 CFR 264.143(e)(3)</i>	
6. Does the policy guarantee that funds will be available to close the facility whenever final closure occurs? <i>40 CFR 264.143(e)(4)</i>	
7. Does the policy guarantee that once final closure begins, the insurer will be responsible for paying out funds (up to an amount equal to the face amount of the policy) upon the direction from Ecology to such party or parties as Ecology specifies? <i>40 CFR 264.143(e)(4)</i>	
8. Does the policy contain a provision allowing assignment of the policy to a successor owner or operator? <i>40 CFR 264.143(e)(7)</i>	
9. Does the policy provide that the insurer may not cancel, terminate, or fail to renew the policy except for failure to pay the premium? <i>40 CFR 264.143(e)(8)</i>	
10. Does the automatic renewal of the policy, at a minimum, provide the insured with the option of renewal at the face amount of the expiring policy? <i>40 CFR 264.143(e)(8)</i>	
11. Does the insurance company meet the Washington State financial strength rating requirements? <i>WAC 173-303-620(4)(c)(ii)</i>	

12. Is Ecology named as secondary beneficiary on the policy? <i>WAC 173-303-620(4)(c)(iii)</i>	
<b>SUBSEQUENT REVIEW STEPS</b>	
13. Is the amount of the insurance policy at least as great as the current cost estimate? <i>40 CFR 264.143(e)(3)</i>	
a. Adjusted for inflation – <i>WAC 173-303-620(3)(c)</i>	
b. Plan modifications – <i>WAC 173-303-620(3)(b)</i>	
14. Has the owner/operator maintained the policy in full force and effect? <i>40 CFR 264.143(e)(6)</i>	
15. If the current closure costs have increased to an amount greater than the face amount of the policy, has the owner/operator increased the face amount of the policy and submitted evidence of the increase within 60 days? <i>40 CFR 264.143(e)(9)</i>	
16. Does the insurance company still meet the financial strength ratings as required? <i>WAC 173-303-620(4)(c)(ii)</i>	
17. Any other outstanding issues or concerns?	

**MANDATORY LANGUAGE:** Located in 40 CFR 264.151(e) and WAC 173-303-620(10). Examples of mandatory language are available from Ecology's Financial Assurance Officer at (360) 407-6754.

**CONCLUSION:** The Department of Ecology determines that the facility has (*circle one*) **COMPLIED** / **NOT COMPLIED** in all material respects with the requirements governing financial assurance as described in 40 CFR Part 264. Reasons for noncompliance, if any, are detailed in an attached memo.

Department of Ecology Review by: \_\_\_\_\_ Date: \_\_\_\_\_